



Health Services
LOS ANGELES COUNTY

January 13, 2014

Los Angeles County
Board of Supervisors

Gloria Molina
First District

Mark Ridley-Thomas
Second District

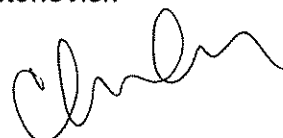
Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

TO: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

FROM:  Mitchell H. Katz, M.D.
Director



SUBJECT: **NOTIFICATION OF DEPARTMENT OF HEALTH SERVICES' USE OF DELEGATED AUTHORITY TO EXTEND THE TERM OF AN AGREEMENT WITH PUBLIC HEALTH FOUNDATION ENTERPRISES, INC.**

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

Christina R. Ghaly, M.D.
Deputy Director, Strategic Planning

This is to advise the Board that the Department of Health Services (DHS) has exercised its delegated authority approved on June 4, 2013 (attached), to extend the term of Agreement No. H-705292 with Public Health Foundation Enterprises, Inc. (PHFE) for six additional months on a month-to-month basis, through June 30, 2014, with no increase to the maximum obligation, subject to review and approval by County Counsel and notification to the Board and the Chief Executive Office.

Under the current Agreement, PHFE provides project management and technical services in support of the Community Clinic Phase II (Phase II) project that is overseen by the Los Angeles Network for Enhanced Services (LANES) Board of Directors.

The goal of Phase II project, in conjunction with the LANES Health Data Highway Project (HDHP), is to enable Community Partners to share protected health information in a manner which complies with HIPAA's privacy and security requirements for treatment and coordination of care between LANE's Community Partner treatment providers and DHS' treatment providers. The related LANES HDHP has encountered delays in implementation. As a result, the PHFE Agreement needs to be extended.

County Counsel has reviewed this amendment and approved as to form.

If you have any questions or require additional information, please let me know.

Attachment

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

www.dhs.lacounty.gov

To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

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ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

42 June 4, 2013

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

June 04, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT TO AGREEMENT WITH PUBLIC HEALTH
FOUNDATION ENTERPRISES FOR THE COMMUNITY CLINIC PHASE II
PROJECT
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

SUBJECT

Approval of an Amendment to the Project Management and Technical Services Agreement with Public Health Foundation Enterprises, Inc., to extend the term for the continued provision of project management, development, and implementation services for the Community Clinics Phase II Project.

IT IS RECOMMENDED THAT THE BOARD:

1. Authorize the Director of Health Services (Director), or his designee, to execute Amendment No. 2 to Agreement No. H-705292 with Public Health Foundation Enterprises, Inc. (PHFE), effective upon Board approval to extend the term of the Agreement for the period July 1, 2013 through December 31, 2013, with the option to further extend the term for six additional months on a month-to-month basis, for the continued provision of project management and technical support services for the Community Clinics Phase II (Phase II) Project, with no change to the maximum obligation.
2. Delegate authority to the Director, or his designee, to exercise the extension option and amend the Agreement to extend the term on a month-to-month basis through June 30, 2014, subject to review and approval by County Counsel and notification to the Board and the Chief Executive Office (CEO).

3. Delegate authority to the Director, or his designee, to execute future amendments to the Agreement to: a) revise or incorporate provisions consistent with all applicable State and/or federal law and regulations, County Ordinances and Board policy; and b) make appropriate changes to the Agreement to improve operational efficiencies, add clarity, and/or correct errors and omissions, subject to prior review and approval by County Counsel and notification to the Board and the CEO. Further delegate to the Director, or his designee, authority to make adjustments in project tasks and deliverables, program budget categories, and other project scope adjustments, as needed, to adapt to requirements identified jointly by Department of Health Services (DHS) and the CEO over the remaining course of the project to leverage funding and technology improvement opportunities through the Los Angeles Network for Enhanced Services (LANES).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will allow the Director to execute an Amendment, substantially similar to Exhibit I, with PHFE to extend the term of the Agreement through December 31, 2013. The term of the current agreement is scheduled to expire on June 30, 2013. Extension of this Agreement is necessary to allow PHFE additional time to complete the Phase II project for 16 Community Partners (CPs) (formerly known as Public Private Partnership Strategic Partners).

Background

The goal of the current PHFE Agreement was to provide fiscal intermediary and project management services to complete enhancements to the Encounter Summary Sheet (ESS) during Phase II of the project. Full implementation of ESS was expected to provide a patient history of aggregated data from across DHS and the CPs that is web-accessible and includes administrative and clinical information, such as diagnostics and frequency of visits, procedures performed, past and future appointments and a history of DHS dispensed medications for patient coordination of care and treatment.

The ESS Phase II Project was previously overseen by Health-e-LA, a public/private collaborative dedicated to developing an infrastructure for multi-organizational electronic exchange of clinical healthcare information for treatment purposes throughout the County, primarily among safety net providers and their healthcare affiliates. In the fall of 2011, the Health-e-LA Board voted to dissolve itself and requested that the LANES Board accept oversight of Health-e-LA projects, including the previously received grant funds from Pacific United for the ESS Phase I project and the \$1,500,000 that the Board approved for this PHFE Agreement for Phase II of the project. When that occurred, it became apparent there was an opportunity to leverage the technology improvement opportunities through LANES.

Consistent with the authority delegated to DHS on May 17, 2011, DHS revised the project plan to connect the next set of CPs directly to the LANES health information exchange (HIE) infrastructure rather than the enhancing the interim ESS view. This improved and expanded the information that is shared between DHS and the CPs by utilizing the more robust capabilities of the LANES HIE infrastructure. The project name was subsequently revised from the ESS Phase II Project to the Community Clinic Phase II Project. Under this revised project plan, the pertinent data regarding the Community Clinic's patients will be shared in a secure fashion with the LANES HIE, and information about DHS responsible patients will be routed from the LANES HIE back to DHS in order to complete the DHS patient information records.

PHFE Agreement

PHFE continues to provide Phase II Project management, development, and implementation services. The Phase II Project and the LANES Health Data Highway Project (HDHP) both share PHFE as the same project manager, since the projects are now aligned. Additionally, \$750,000 of the \$1,500,000 project budget has been identified as matching funds for the California Health and Human Services HIE Expansion Grant awarded to LANES for development of the LANES HIE infrastructure. This further links the two projects together. As the LANES HDHP has experienced delays, it is necessary to extend PHFE Agreement to complete the project.

Remaining Recommendations

Approval of the second recommendation will allow the Director to exercise the option to further extend the term of the Agreement up to an additional six months, if necessary, to allow PHFE sufficient time to complete any remaining deliverables.

Approval of the third recommendation will allow DHS to update the Agreement for regulatory or statutory changes, correct any errors or omissions, allow budget adjustments and changes to the project tasks and deliverables to accommodate technology improvements and leverage opportunities over the course of the project, including operations changes which result from the restructuring of the ambulatory care system and health care operations in the County and further development of a Countywide HIE.

Implementation of Strategic Plan Goals

The recommended actions support Goal 1, Operational Effectiveness, of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

The Agreement maximum obligation remains unchanged and therefore there is no fiscal impact related to these actions. The project budget of \$1,500,000 includes funding for a project manager, integration resources to build system interfaces, interface maintenance fees, and staff to work with the impacted community clinics.

Funding is included in the DHS Fiscal Year 2013-14 Recommended Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Agreement may be terminated for convenience by the County upon 30 days prior written notice. The Agreement includes all Board of Supervisors' required provisions.

County Counsel has approved Exhibit I as to form.

CONTRACTING PROCESS

The Honorable Board of Supervisors
6/4/2013
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DHS notified your Board on January 25, 2011 of the intent to enter into a sole source negotiations with PHFE, for completion of the ESS Project. PHFE received the initial grant to implement the ESS Project with the CPs and continues to be the project manager on the Project. Subsequently, on May 17, 2011, the Board approved the current Agreement with PHFE. The recommended Amendment will ensure continuity of PHFE as the project manager and usage of the same software contractors and technical personnel to complete the project without interruption.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendations will ensure completion of the Phase II Project, improve data collection and sharing across the service delivery system, and accelerate the speed of patient information availability to providers to improve health care treatment and health care operation outcomes, reduce costs and duplication of diagnostic testing and increase patient satisfaction.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz", with a stylized flourish at the end.

Mitchell H. Katz, M.D.
Director

MHK:ls

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors